GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4655
ANSWERED ON:23.08.2001
COST OF CYLINDERS
A. VENKATESH NAIK

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether in a bid to breaking cartel formed by LPG cylinder manufacturers, the public sector oil companies have decided to procure empty LPG cylinders at lower price ;

(b) if so, the details thereof ; (

(c) the estimated savings likely to be made by the Government as a result thereof during the current years ;

(d) whether the Government are collecting security money from the consumers at the rate of Rs. 900 per cylinder at present ;

(e) if so, whether this amount is consisting of cost of cylinder and maintenance charges ;

(f) if so, the total security money collected by the Government upto March 31, 2001 ;

(g) whether keeping in view of its decision of down grade the prices of empty cylinder for oil companies, the Government propose to bring down the cost of maintenance charges being charged from the consumers ; and

(h) if not, the reasons therefor ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (h) : Public Sector Oil Marketing Companies floated the tenders individually for procurement of cylinders for the calendar year 2001. It is expected that the price of procurement of cylinders will come down. However the cylinder manufacturers have challenged the tendering procedure in various Courts and the matter is pending for disposal. As the matter is sub-judice, it is not possible to ascertain the extent of reduction in the price, at this stage.

At present, Public Sector Oil Marketing Companies are collecting the security deposits from consumers at the rate of Rs. 900 per cylinder which also includes maintenance charges. However, the rate of security deposit is Rs. 500 per cylinder in the North-East region. The total amount of security deposits held by Public Sector Oil Marketing Companiesas on 31.3.2001 was about Rs. 7185 crores.